

§ 143B-344.44. Lead agency; powers and duties.

(a) For the purposes of this Part, the Department of Environmental Quality, State Energy Office, is designated as the lead State agency in matters pertaining to energy efficiency.

(b) The Department shall have the following powers and duties with respect to this Part:

- (1) To provide industrial and commercial concerns doing business in North Carolina, local governmental units, nonprofit organizations, and residents in North Carolina with information and assistance in undertaking energy conserving capital improvement projects to enhance efficiency.
- (2) To establish one or more revolving funds within the Department for the purpose of providing secured loans in amounts not greater than one million dollars (\$1,000,000) per entity to install or to an entity that installs energy-efficient and renewable energy improvements (i) within business or nonprofit organizations located within or translocating to North Carolina, (ii) within local governmental units, (iii) within buildings classified as multifamily residential, (iv) within buildings designated as multiuse that include residential units, and (v) within single family residences, however, in this instance the amount of the loan shall not exceed fifty thousand dollars (\$50,000). In providing these loans, priority shall be given to entities already located in the State.
- (3) To develop and adopt rules to allow State-regulated financial institutions to provide secured loans to corporate entities, nonprofit organizations, and local governmental units and residents in accordance with terms and criteria established by the State Energy Office.
- (4) To work with appropriate State and federal agencies to develop and implement rules and regulations to facilitate this program.
- (5) To contract with persons or entities, including other State agencies and United States Treasury certified Community Development Financial Institutions (CDFI), to administer the Energy Loan Fund. Contracts for the procurement of services to manage, administer, and operate the Energy Loan Fund shall be awarded on a competitive basis through the solicitation of proposals and through the procedures established by statute and the Division of Purchase and Contract.

(c) The annual interest rate charged for the use of the funds from the revolving fund established pursuant to subdivision (b)(2) of this section shall be a percentage not to exceed three percent (3%) per annum, to be established by the State Energy Office, excluding other fees required for loan application review and origination. The term of any loan originated under this section may not be greater than 20 years.

(d) Notwithstanding subsection (c) of this section, the State Energy Office shall adopt rules to allow loans to be made from the revolving loan fund and by State-regulated financial institutions at interest rates as low as zero percent (0%) per annum for certain renewable energy, recycling, and energy efficient and conservation projects to encourage their development and use.

(e) In accordance with the terms of the Stripper Well Settlement, administrative expenses for activities under this section that are subject to the Stripper Well Settlement shall be limited to five percent (5%) of funds allocated for this purpose. In accordance with the provisions of the American Recovery and Reinvestment Act of 2009 (ARRA) (Public Law 111-5), administrative expenses for activities under this section that are subject to the ARRA shall be limited to ten percent (10%) of funds allocated for this purpose.

(f) For purposes of this section:

- (1) "Local governmental unit" means any board or governing body of a political subdivision of the State, including any board of a community college, any school board, or an agency, commission, or authority of a political subdivision of the State.
- (2) "Nonprofit organization" means an organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code. (2000-140, s. 76(i); 2001-338, s. 1; 2009-446, s. 1(b); 2009-475, s. 13; 2010-96, s. 21; 2013-360, s. 15.22(b), (c); 2015-241, s. 14.30(u).)